per cent increase in total production during the year 2006 as compared to the last year and increase in the revenue has been 36 per cent against last year but increase in the dividend has been only 16 per cent;

(b) if so, the details thereof;

(c) whether it is also a fact that there has been increase in the sale prices of the products in the year 2006 as compared to the year 2005; and

(d) if so the reasons for shortfall in the percentage of dividend?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J PATEL): (a) and (b) ONGC Videsh Ltd. (OVL)'s production of Oil plus Oil Equivalent Gas (O+OEG), including that of its wholly owned subsidiary, ONGC-Nile Ganga B.V., increased from 5.063 MMT to 6.339 MMT, i.e.by 25%. OVL's consolidated gross revenue has also increased from Rs. 60,258.42 million to Rs. 81,707.28 million, up to 36%.

For the financial year 2004-05, the company declared its maiden dividend @ 35% amounting to Rs. 1050 million. The Board of Directors of OVL, however, has not recommended any dividend for the financial year 2005-06.

(c) Yes, Sir. On account of increase in the global crude oil prices, the sale prices of OVL's products (oil gas) in the year 2006 were higher as compared to 2005.

(d) With a view to conserve resources for the various projects which are under execution, the OVL's Board of Directors did not recommend dividend for the financial year 2005-06 to its parent company, ONGC.

Revenue from revision of oil prices

800. SHRIMATI MOHSINA KIDWAI:
SHRI VIJAY J. DARDA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a)the hike in price of petrol and diesel announced by the Central Government recently;

(b) how much out of this increased price the Central Government have earned by way of increased Central taxes; and

(c) whether the Central Government have asked the State Governments to give up their share of increased taxes, and if so, what has prevented them from following the same course of action themselves?

THE MINISTER OF STATE IN THE MINISTRY OF PETROCEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Government has revised the retail selling prices of petrol and diesel with effect from 6th June, 2006 by Rs. 4/litre and Rs. 2/litre respectively in Delhi.

(b) In the case of the Central Government, the additional revenue due to price increase is in the form of incremental excise duty. As a substantial portion of the excise duty on petrol and diesel is specific (fixed) the same does not vary with price revision. The incremental in excise duty as a result of the last price revision on 06/06/2006 works out to be approximately Re. 0.25/litre and Re.0.13/litre in case of petrol and diesel respectively.

(c) In the context of unprecedented rise in international oil prices, Government adopted the principle of equitable burden sharing amongst the three stakeholders, namely the consumers, the PSU oil companies and the Government, to protect the interest of the common man and the vulnerable sections of society. Government alongwith oil companies has decided to absorb 87.5% of the burden of the escalated international prices of crude oil, amounting to Rs. 73,500 crores, leaving only a balance of 12.5% to be borne by the consumers by way of increase in petrol and diesel prices.

Government has reduced the customs duty on petrol and diesel from 10% to 7.5% in June 2006. Government has also decided to issue bonds worth Rs. 28,300 crores during 2006-07 to oil marketing companies to partially compensate for under recoveries on sensitive petroleum products.

As part of equitable burden sharing, Government has requested the co-operation of the State Governments to moderate the impact of price rise on the common man, based on which ten State Governments, namely, Andhra Pradesh, Delhi, Goa, Haryana, Himachal Pradesh,

Maharashtra, Tamil Nadu (diesel only), Uttaranchal, Manipur and Assam, have reduced the sales tax on Petrol and Diesel to reduce the burden of the recent price hike.

Promotion of petro-hubs

801. SHRI VIJAY J. DARDA:
SHRIMATI SHOBHANA BHARTIA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are providing certain flexibility and single window clearance for facilitating investment into the proposed petro-hubs in petroleum, chemicals and petrochemicals investment regions;

(b) if so, whether some of the States have been asked to enact separate legislation on the same lines as done by the State Government of Uttar Pradesh;

(c) whether Government are considering to waive customs duty on crude oil imports specifically for these zones;

(d) if so, how many State Governments-have enacted the laws to promote petro-hubs; and

(e) to what extent it has been proved successful?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PAT EL): (a) to (e) Department of Chemicals and Petrochemicals is studying the feasibility for setting up Petroleum, Chemicals and Petrochemical Investment Regions (PCPIR). A Task Force on PCPIR has been constituted in order to enable quick and coordinated decision making and to provide an appropriate policy framework for the development of investment regions of requisite scale and level of facilities, with the involvement of world class developers and investors, in the field of petroleum, chemicals and petrochemicals. The policy is at the draft stage.